

Office:

Arizona Corporation Commission

DOCKETED

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ORIGINAL

August 26, 2016

Mr. Brian Bozzo Manager Utilities Division Arizona Corporation Commission 1200 W Washington Street Phoenix AZ 85007

Re: Johnson Utilities, L.L.C.

Decisions 70411 and 74976 Docket No. WS-02987A-06-0667

DOCKET NO. WS-U298/A-U6-U66/

Request for 2-Year Extension on Requirement to File Approvals to Construct

(Monterra North, Monterra South, Montessa, Florence Plaza and portions of Walker Butte)

Dear Mr. Bozzo:

Johnson Utilities hereby submits this request for a 2-Year Extension on the requirement to file copies of the Approvals to Construct issued by the Arizona Department of Environmental Quality for the water and wastewater facilities needed for Phase 1 of each of the developments located with the requested extension areas.

Market conditions have delayed the anticipated start of the developments by the developers; however, the developers still require service and have provided updated requests for service. Those individual requests are attached hereto as Attachment 1.

If you need further information in regards to this compliance item, please do not hesitate to contact us. Thank you for your time and consideration in this matter.

Sincerely,

Brad Cole

Chief Operating Officer JOHNSON UTILITIES, L.L.C.

BC/meb

Attachment (1)

cc:

Thomas Broderick, Director, Utilities Division

Docket Control

Attachment 1



"The Power and Rewards of Vision"

August 25, 2016

Johnson Utilities LLC 5230 E Shea Blvd, Suite 200 Scottsdale AZ 85254

Re: Monterra South (262 acres located at Southeast corner of Attaway Road

and Hunt Highway, Florence, Arizona

Ladies and Gentlemen:

Please consider this letter as request by RMG Monterra South, L.L.C. for an updated Request for Service for Johnson Utilities LLC (JUC) to continue to make water service available for Monterra South, a 262 acre Project planned for 1,130 houses. This Project, located in the Pinal County/Florence Corridor just south of the very active Queen Creek/San Tan Heights communities, has the necessary governmental approvals (including final recorded plats) in place to position it to be one of the first Corridor properties targeted for development, including need for water service.

Although we had previously anticipated development of this Project would have commenced by now, the continued slow recovery in the housing market, particularly within the Pinal County Corridor (including Florence) has delayed the return of active homebuilding to this area. However, we believe market indicators, including the increasing new homebuilding activity in the Phoenix Metro area, shortage of new and used homes for sale, increasing home prices, planning for a freeway through this Corridor connecting to the 202, and improving employment indicate demand for housing in this Corridor will accelerate in the near future. As a result, we have continued efforts to fine-tune the Project to make it as close to "builder-ready" as possible, including modifying existing plats and working with JUC to provide water well/tank sites. Integral to our ongoing efforts and ability to have the Project to be positioned for development are continued maintenance of the Project's Request for Service with JUC.

Please do not hesitate to contact us if you have any questions or need any additional information.

RMG MONTERRA SOUTH, L.L.C.

Bv:

Authorized Officer



LANGLEY PROPERTIES

August 26, 2016

Michelle E. Belaski Johnson Utilities – Land Development 5230 E Shea Blvd #200 Scottsdale AZ 85254

Re: Renewal of request for water and sewer service

Dear Ms. Belaski,

We would like to renew our request for water and utility service in our project known as Monterra North. This land is owned by the entity Langley Riggins 600, LLC.

Since our original request market conditions have changed. Recent land transactions indicate that conditions may be changing again in the near future and we want to be sure that our request for service is still current with Johnson Utilities. Thank you for your assistance with this request and feel free to contact me if you need anything else.

Sincerely

Stacy J Brimhall

Manager - Langley Riggins 600, LLC



office fax 480.596.9399 480.596.6366

Biltmore Financial Center I 2390 E. Camelback Road Suite 200 Phoenix, AZ 85016 August 25, 2016

Via E-Mail: mbelaski@azvision.net

MICHELLE E. BELASKI JOHNSON UTILITIES, LLC 5230 E. Shea Blvd. #200 Scottsdale, AZ 85254

Re: I

Florence Plaza

Ms. Belaski:

This letter serves as a formal request by Barclay Holdings XLVI, LLC for water and sewer utility service at our project located on the southwest corner of Attaway Road and Hunt Highway.

Although, our project has been delayed and the exact timing of our project is market dependent, we would like to ensure that our request for water and sewer service with Johnson Utilities is current. The intent is to extend our request for service for 2 years and apply for an Approval to Construct when the market demand for retail in the greater Florence market has fully recovered.

Sincerely,

Colby O. Fincham

Sr. VP of Development and Finance



August 25, 2016

Michelle Belaski Johnson Utilities 5230 E. Shea Blvd., Suite 200 Scottsdale, Arizona 85254 (submitted via email <u>MBelaski@azvision.net</u>)

RE:

MONTESSA

Request for an extension of time to comply with Decision No. 70411

Dear Mrs. Belaski:

The purpose of this letter is to request an extension to our request for Service from Johnson Utilities for the above referenced property. The extraordinary circumstances brought on by the historic Great Recession decimated the housing market throughout Pinal County and our project was no exception. The unprecedented bust resulted in a historically slow recovery but signs of recovery are underway and we are encouraged they will continue. This will only occur if builder ready projects are positioned to move forward in response to demand and that can only occur if utility services remain available.

Please contact me at (602) 430-4496 or via email <u>Blake@SkyBridgeCo.com</u> with any questions, comments or request for additional information.

Sincerely,

Blake McKee

Authorized Member

HAMI

B&B 2, L.L.C. an Arizona limited liability company



"The Power and Rewards of Vision"

August 25, 2016

Johnson Utilities LLC 5230 E Shea Blvd, Suite 200 Scottsdale AZ 85254

Re: Walker Butte Project (located west of Hunt Highway, Florence, Arizona)

Ladies and Gentlemen:

Please consider this letter as request by the undersigned, as the owners of the Walker Butte project in the Town of Florence, for an updated Request for Service for Johnson Utilities LLC (JUC) to continue to make water service available for Walker Butte. We understand most of Walker Butte was included in JUC's service area prior to 2006, with the remainder added in 2006. Walker Butte is a 1650± acre mixed use project, planned for up to 8,500± houses, located in the Pinal County Corridor south of the very active Queen Creek/San Tan Heights communities. Located on the west side of Hunt Highway, Walker Butte, has governmental development approvals in place (including Development Agreement and PAD for entire project, and preliminary plat for initial phase), positioning it to be a major Pinal County Corridor property for development, including need for water service.

Although we had previously anticipated development of Walker Butte would have commenced by now, the continued slow recovery in the housing market, particularly within the Pinal County Corridor (including Florence) has delayed the return of active homebuilding to this area. However, we believe market indicators, including the increasing new homebuilding activity in the Phoenix Metro area, shortage of new and used homes for sale, increasing home prices, planning for a freeway through this Corridor connecting to the 202, and improving employment indicate demand for housing in this Corridor will accelerate in the near future. As a result, we have continued efforts to fine-tune Walker Butte to make it as close to "builder-ready" as possible, including working with JUC to determine preferred water service structure. Integral to our on-going efforts and ability to have Walker Butte positioned for development is continued maintenance of Walker Butte's Request for Service with JUC.

Mr. George Johnson Johnson Utilities, LLC August 26, 2016 Page 2

Please do not hesitate to contact us if you have any questions or need any additional information.

WALKER BUTTE 300, L.L.C. WALKER BUTTE 500, L.L.C. WALKER BUTTE 700, L.L.C. HUNT & HOOPER, L.L.C.

By: Authorized Officer